

HOUSE AGRICULTURE COMMITTEE



OPPORTUNITIES AND CHALLENGES IN MICHIGAN AGRICULTURE

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GREAT TIME TO BE IN AGRICULTURE

- Good Yields
- Good Prices
- Good Financial Situation
- Great Attitudes



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HISTORY

- Yields
- Crop Acreage
- Commodity Production



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MICHIGAN YIELDS AND PRODUCTION

CORN

	Acres	Yield ¹	Production ²	Price ³
1970	1,730,000	81	115,749,000	1.32
1980	2,950,000	95	243,200,000	3.05
1990	2,400,000	115	238,050,000	2.21
2000	2,200,000	124	241,800,000	1.90
2007	2,650,000	124	291,400,000	4.37
2010	2,450,000	150	367,500,000	5.55
2011	2,190,000	153	335,070,000	—

¹ bushels/acre ² bushels ³ bushel



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PRODUCTION

Corn	Acres	Yield ¹	Production ²
1970	1,730,000	81	140,130,000
2010	2,450,000	150	367,500,000
Soybeans			
1970	515,000	26	13,390,000
2010	2,100,000	45	94,500,000
Wheat			
1970	495,000	39	19,305,000
2010	510,000	80	40,800,000
Total Bushels			
1970			172,825,000
2010			502,800,000



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¹ bushels/acre ² bushels

PRODUCTION

	Yield ¹	Acres	Production ²
1970	81	2,500,000	202,500,000
1990	115	2,500,000	287,500,000
2010	150	2,500,000	375,000,000
2015	180	2,500,000	450,000,000
2020	215	2,500,000	537,500,000
2025	250	2,500,000	625,000,000



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¹ bushels/acre ² bushels

PRODUCTION

Acres	Production ¹
2,500,000	625,000,000
2,750,000	687,500,000
3,000,000	750,000,000
3,250,000	812,500,000
3,500,000	875,000,000

¹ bushels of production at 250 bushels per acre



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SPECIALITY CROP PRESSURE

- Dry Beans
- Cucumbers
- Asparagus
- Old Orchards...



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ADDITIONAL CROP ACREAGE AND INFRASTRUCTION

- Taking out Fencerows
- Clearing Woodlots
- Fallow Land Back in Production
- Irrigation
- Tile



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EXPIRING CRP ACRES

Expires on	Expiring Acres	Expires on	Expiring Acres	Expires on	Expiring Acres
9/30/2012	18,880.8	9/30/2018	11,897.7	9/30/2024	5,172.0
9/30/2013	44,270.5	9/30/2019	8,468.4	9/30/2025	3,889.5
9/30/2014	7,636.2	9/30/2020	19,464.5	9/30/2026	1,319.2
9/30/2015	24,051.8	9/30/2021	10,556.5		
9/30/2016	38,325.9	9/30/2022	4,340.3		
9/30/2017	20,428.9	9/30/2023	3,597.6	TOTAL ACRES	222,299.80



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FARMING FURTHER NORTH

- Potatoes
- Corn
- Soybeans
- Livestock, Dairy and Poultry



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INCREASED LIVESTOCK, DAIRY AND POULTRY PRODUCTION

- Dairy Expansion
- Pork Processing ?
- Pork Finishing ?



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DEMAND

WORLD POPULATION

1950	2.5 Billion
2011	7.0 Billion
2050	9.2 Billion



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Source: United Nations

DEMAND

2000 – 2010 CONSUMPTION

Global Consumption

	37.3 %	Corn
	28.5 %	Cotton
	48.5 %	Soybeans
	13.5 %	Wheat
	14.5 %	Rice
	19.5 %	Fluid Milk
	5.9 %	Beef
	0.3 %	Pork
	38.8 %	Broilers

U.S. Consumption

	47.2 %
	59.2 %
	1.5 %
	10.0 %
	9.6 %
	14.2 %
	4.6 %
	19.6 %
	17.0 %



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PROJECT 2025

- Infrastructure Needs

- Fertilizer Storage and Handling
- Grain Receiving, Storage and Handling
- Transportation Needs



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PROJECT 2025

- Infrastructure

- Rail
- Water
- Roads
- Utilities
- Broadband
- People



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FARM BILL



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PROJECT 2025

- Is This All Real?
 - Genetics
 - Success
 - Ability and Experience



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FUTURE

- Great Time To Be In Agriculture
 - It Will Only Get Better
 - One of Our Major Limiting Factors are People
 - Encourage Young People to get Involved



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Current Track on 2012 Investments in
Infrastructure by Michigan Agri-Businesses

\$ 300 MILLION



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“STRIVE TO BE WHERE THE PUCK
IS GOING TO BE,
NOT WHERE IT HAS BEEN!”

Wayne Gretzky



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